

2014 PINEDALE ANTICLINE SOCIOECONOMIC CONSIDERATIONS ULTRA, SHELL AND QEP (USQ)

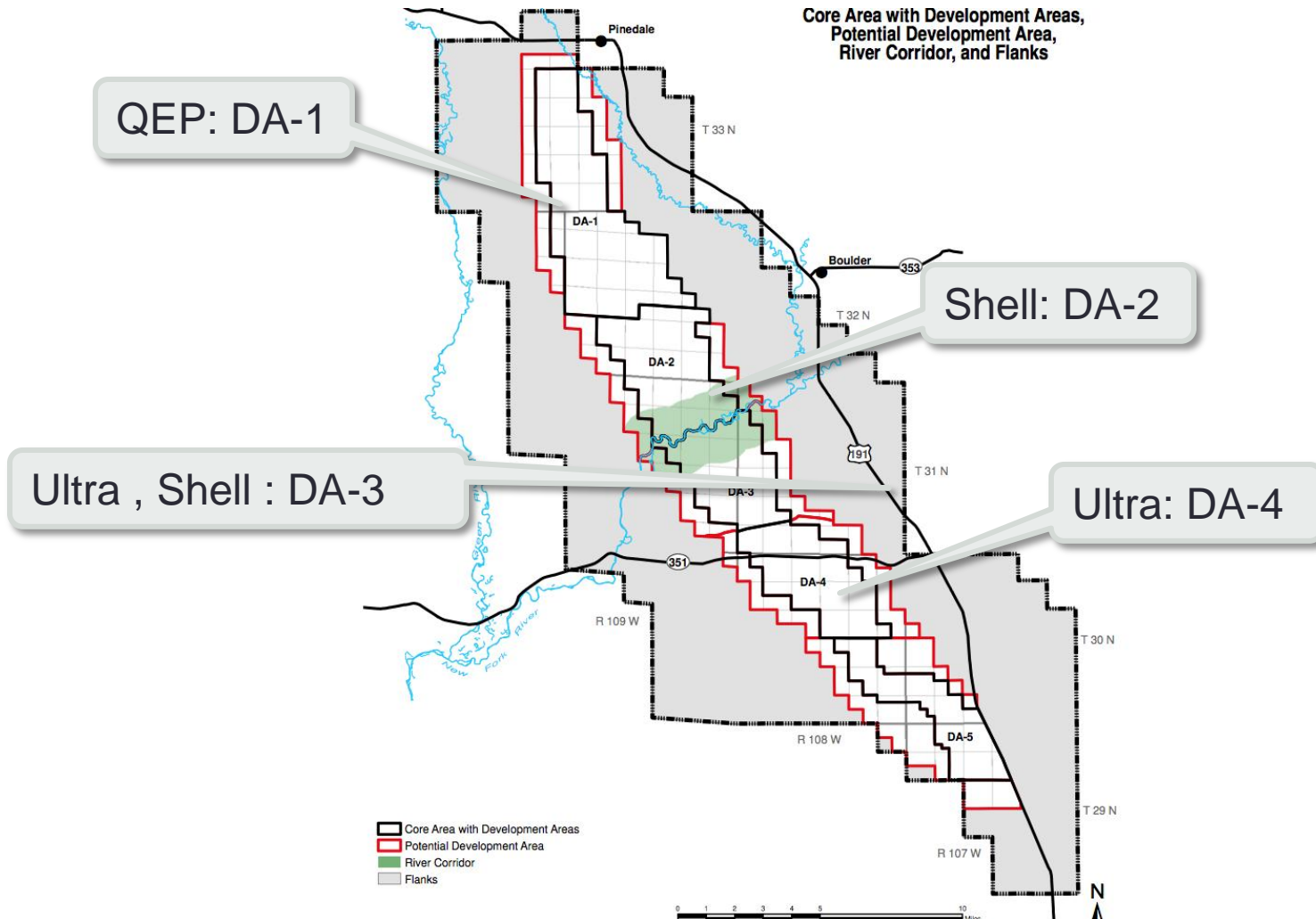
August 5, 2014

Air, Water, Socio-economic
Annual Planning Meeting

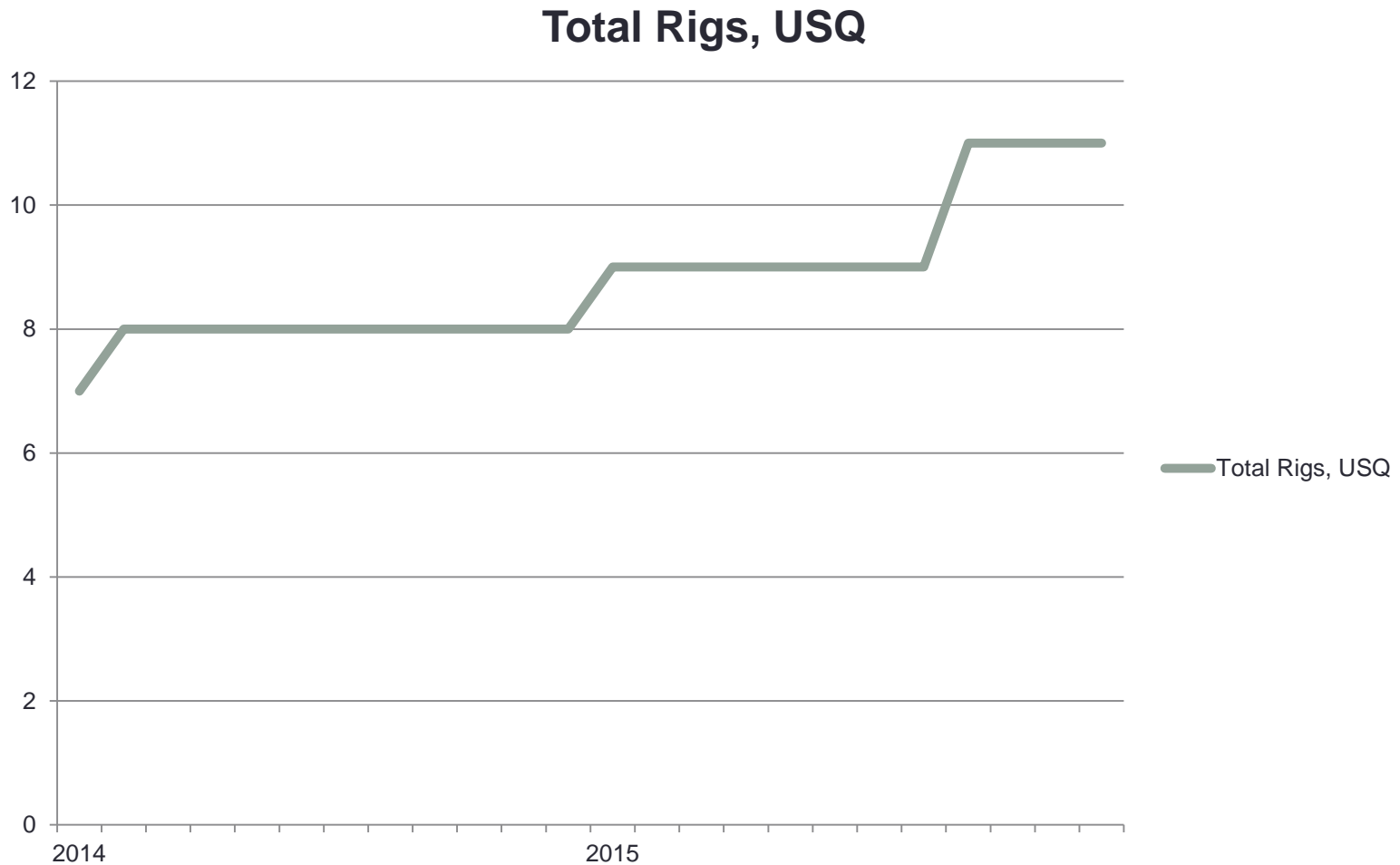
2014 Update

- 2,490 USQ Wells Producing in the Pinedale Anticline
- Currently 177 USQ Employees working in the Pinedale Anticline/Pinedale Field Office Area
- Current rig efficiency is 20-29 wells per rig per year

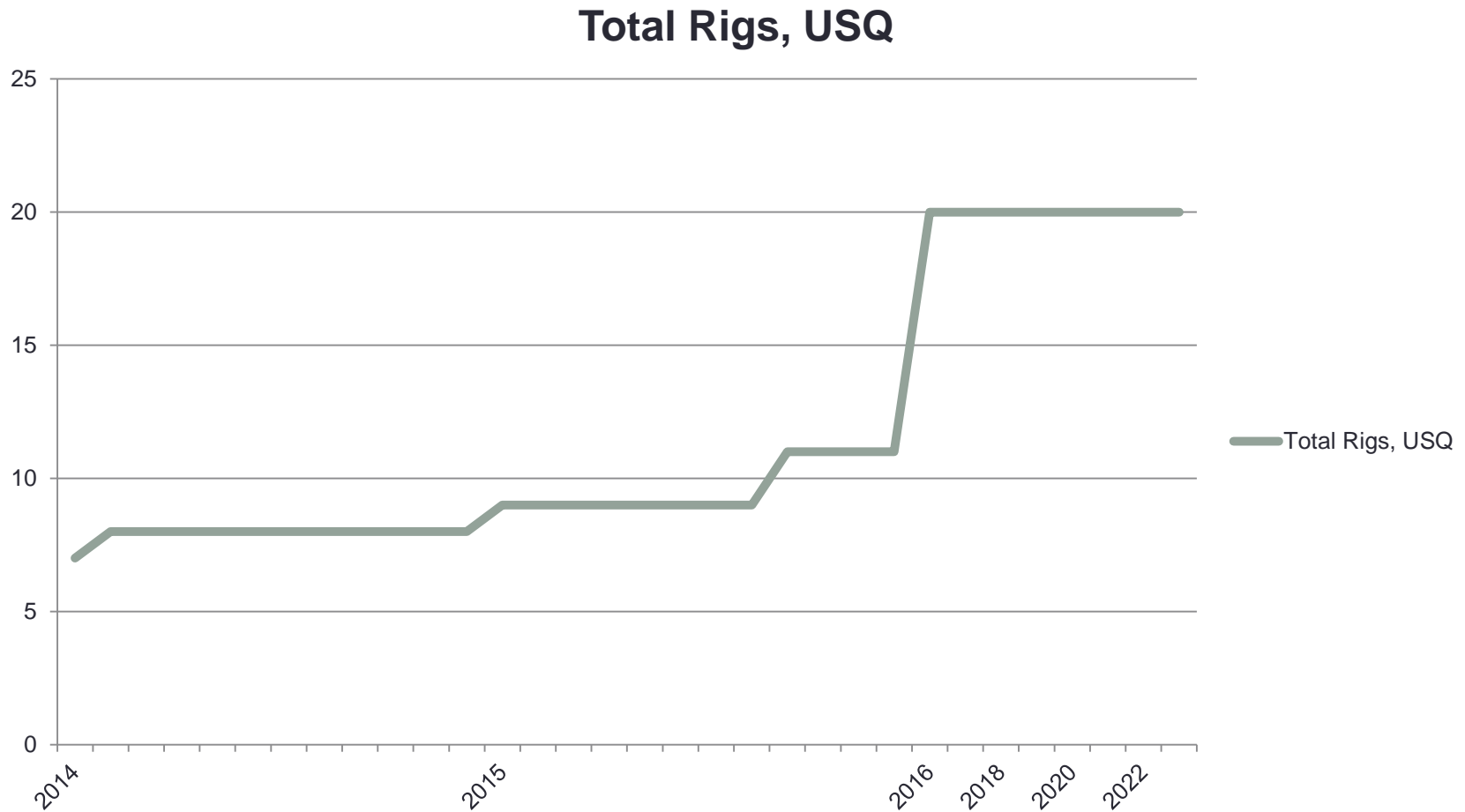
Development Area Focus Through 2015



Projected Number of Rigs (2014-2015)



Number of Rigs (10-year Rolling Forecast)¹



¹The total rig calculation assumes each rig works year round (Total Rig Months/12 = Rigs);

Summary of drilling activity

- Drilling has become more efficient, with wells drilled in fewer days;
- The total number of drill rigs has increased in 2014 to 8;
- Near term forecasts are projected to be at current drilling activity rates through 2014;
- The demand for locally provided services and infrastructure due to development of the PAPA is forecast to remain relatively steady through the end of 2015.